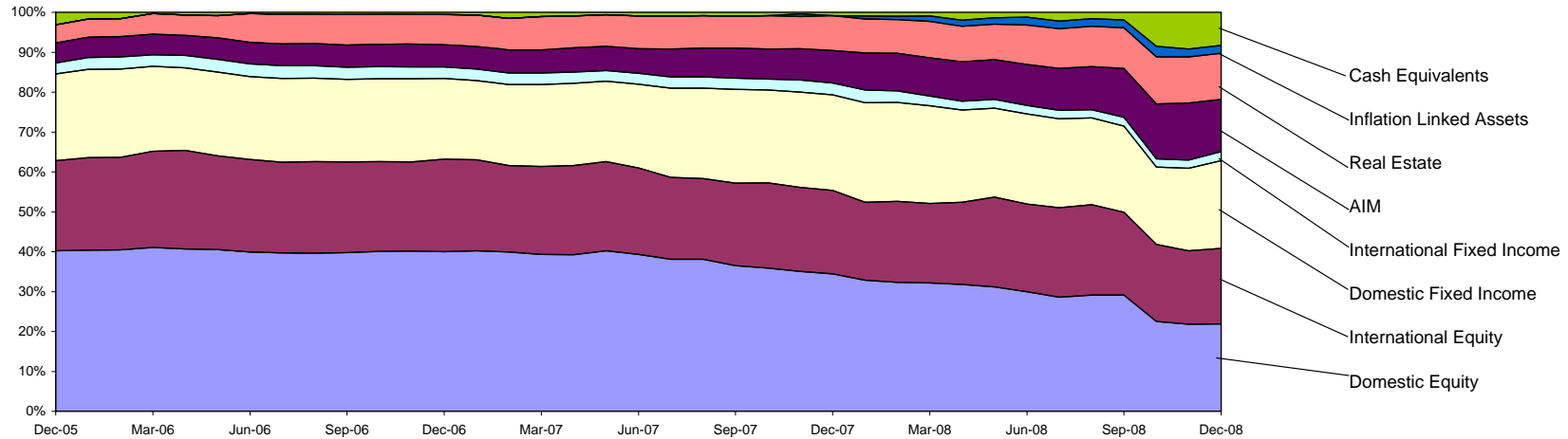


# CalPERS

## Asset Allocation as of December 31, 2008

Total Fund Market Value: **\$183,322,958,798**



	Global Equity	Domestic Equity	International Equity	Global Fixed	Domestic Fixed	International Fixed	AIM	Real Estate	Inflation Linked	Cash Equivalents <sup>2,3</sup>	Total Fund
<b>Strategic Target Range %</b>	<b>41-71%</b>			<b>4-34%</b>			<b>2-18%</b>	<b>5-15%</b>	<b>0-5%</b>	<b>0-10%</b>	
Strategic Target %	56.0%	28.0%	28.0%	19.0%	17.0%	2.0%	10.0%	10.0%	5.0%	0.0%	N/A
Actual Investment %	40.8%	21.9%	18.9%	24.3%	22.0%	2.3%	13.1%	11.5%	2.0%	8.3%	N/A
Variance % (Strategic vs. Actual)	(15.2%)	(6.1%)	(9.1%)	5.3%	5.0%	0.3%	3.1%	1.5%	(3.0%)	8.3%	N/A
Strategic Target \$ <sup>1</sup>	\$102.7	\$51.3	\$51.3	\$34.8	\$31.2	\$3.7	\$18.3	\$18.3	\$9.2	\$0.0	\$183.3
Actual Investment \$ <sup>1</sup>	\$74.8	\$40.1	\$34.7	\$44.6	\$40.4	\$4.2	\$24.0	\$21.1	\$3.6	\$15.2	\$183.3
Variance \$(Strategic vs. Actual) <sup>1</sup>	(\$27.8)	(\$11.2)	(\$16.6)	\$9.8	\$9.2	\$0.5	\$5.7	\$2.7	(\$5.6)	\$15.2	N/A
% Passive	61.8%	63.6%	59.7%	0.0%	0.0%	0.0%	0.0%	(0.0%)	0.0%	0.0%	25.2%
% Active	38.2%	36.4%	40.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	74.8%
% Internal	70.2%	71.5%	68.8%	88.3%	97.5%	0.0%	0.0%	(0.0%)	52.8%	100.0%	59.5%
% External	29.8%	28.5%	31.2%	11.7%	2.5%	100.0%	100.0%	100.0%	47.2%	0.0%	40.5%

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\* When summing amounts on this report, there may be breakage.

\* MDP Venture accounts included in MDP's primary asset class. MDP Fixed and CalPERS Hedge Fund roll to External Domestic Equity.

<sup>1</sup> (\$ Billion)

<sup>2</sup> Approximately \$2.9 Billion notional in Equity Futures were purchased to equitize cash.

<sup>3</sup> Includes approximately \$0 Billion in Treasury Bills.

Private Market Commitment as of December 31, 2008							
AIM				Real Estate			
Funded	\$(in Billions)	% Allocation	Target Range	Funded	\$(in Billions)	% Allocation	Target Range
Fair Market Value (FMV)	\$24.05	13.12%	2-18%	Fair Market Value (FMV)	\$21.06	11.49%	5-15%
Unfunded Commitment	\$23.90	13.04%		Unfunded Commitment (as of 11/30/08)	\$12.74	6.95%	
<b>Fair Market Value plus Unfunded Commitment</b>	<b>\$47.95</b>	<b>26.15%</b>		<b>Fair Market Value plus Unfunded Commitment</b>	<b>\$33.79</b>	<b>18.43%</b>	
Infrastructure				Forestland			
Funded	\$(in Billions)	% Allocation	Target Range	Funded	\$(in Billions)	% Allocation	Target Range
Fair Market Value (FMV)	\$12	0.06%	0-3%	Fair Market Value (FMV)	\$2.28	1.25%	0-2%
Unfunded Commitment (as of 11/30/08)	\$28	0.15%		Unfunded Commitment (as of 11/30/08)	\$17	0.09%	
<b>Fair Market Value plus Unfunded Commitment</b>	<b>\$40</b>	<b>0.22%</b>		<b>Fair Market Value plus Unfunded Commitment</b>	<b>\$2.45</b>	<b>1.34%</b>	

## CalPERS Total Fund Top 20 Company Exposures

Based on Total Market Values as of 12/31/2008

Company Name	Equity Exposure			Total Equity Market Value	Fixed Income Exposure			Total FI Market Value	Real Estate Exposure <sup>(1)</sup>	TOTAL Market Value	% of Total Fund <sup>(3)</sup>
	Internally Managed Active	Externally Managed Passive	Externally Managed Active		Internal	External	Sec. Lending <sup>(2)</sup>				
EXXON MOBIL CORP	271,970,911	2,082,635,695	410,901,615	2,765,508,221				0		2,765,508,221	1.51%
GENERAL ELECTRIC	110,808,032	811,481,976	151,415,568	1,073,705,576	546,499,706	12,721,253	389,470,370	948,691,329		2,022,396,905	0.89%
AT&T INC	112,208,205	841,911,660	204,599,505	1,158,719,370	324,651,595	8,850,341		333,501,936		1,492,221,306	0.81%
BANK OF AMERICA CORP	54,713,106	356,651,610	100,864,108	512,228,824	779,496,999	37,628,205		817,125,204		1,329,354,028	0.73%
JPMORGAN CHASE & CO	82,635,148	584,251,806	178,422,645	845,309,599	344,145,477	45,560,524		389,706,001	42,279,000	1,277,294,600	0.70%
WAL MART STORES INC	120,087,920	694,141,087	214,744,404	1,028,973,411	170,712,190			170,712,190		1,199,685,601	0.65%
PROCTER + GAMBLE CO	109,471,598	891,915,345	169,532,695	1,170,919,638				0		1,170,919,638	0.64%
WELLS FARGO & COMPANY	66,483,945	510,001,347	112,629,814	689,115,106	418,335,735	25,027,231		443,362,966		1,132,478,072	0.62%
JOHNSON + JOHNSON	99,358,604	846,389,881	153,875,820	1,099,624,305				0		1,099,624,305	0.60%
CHEVRONTXACO CORP	106,906,770	767,631,072	215,878,042	1,090,415,884				0		1,090,415,884	0.59%
MICROSOFT CORP	98,967,757	796,963,795	182,224,799	1,078,156,351				0		1,078,156,351	0.59%
VERIZON COMMUNICATION	75,523,505	491,181,507	92,375,330	659,080,342	330,877,404	7,751,689		338,629,093		997,709,435	0.54%
CITIGROUP INC	27,321,590	183,145,089	47,648,354	258,115,033	413,651,479	34,832,404	256,666,960	705,150,843		963,265,876	0.39%
BERKSHIRE HATHAWAY	44,074,540	574,190,400	11,676,228	629,941,168	314,622,652			314,622,652		944,563,820	0.52%
ROYAL DUTCH SHELL	0	672,873,738	251,204,183	924,077,921				0		924,077,921	0.50%
HOME DEPOT INC.	355,579,121	186,754,354	249,735,904	792,069,379	66,591,830			66,591,830		858,661,209	0.47%
NESTLE SA	0	647,684,346	163,804,294	811,488,640				0		811,488,640	0.44%
PFIZER INC.	77,321,612	597,682,039	130,103,469	805,107,120				0		805,107,120	0.44%
INTERNATIONAL BUSINESS MACHINES	65,892,062	562,457,270	131,209,648	759,558,980	403,446	3,023,984		3,427,430		762,986,410	0.42%
ENI	223,386,466	268,975,683	232,867,777	725,229,926				0		725,229,926	0.40%

(1) Real Estate exposure data only includes the 20 companies with the highest annual lease revenues for each core partnership, excludes properties in escrow. The market value exposures are calculated based only on two years of expected lease revenues.

(2) Does not include Repos

(3) Excludes securities lending exposure

# TARGET PERCENTAGE COMPARISON

## ASSET ALLOCATION <sup>1</sup>

As of December 31, 2008

(A)	(B)	(C)	(D)	(E)
<u>Asset Class</u>	<u>Actual Allocation</u> (%)	<u>Target<sup>2</sup></u> (%)	<u>Target Range<sup>2</sup></u>	<u>Difference (B-C)</u> (%)
Domestic Equity <sup>3</sup>	21.9	28.0		-6.1
International Equity	<u>18.9</u>	<u>28.0</u>		<u>-9.1</u>
<b>Global Equity</b>	<b>40.8</b>	<b>56.0</b>	<b>41-71%</b>	<b>-15.2</b>
Domestic Fixed Income	22.0	17.0		5.0
International Fixed Income	<u>2.3</u>	<u>2.0</u>		<u>0.3</u>
<b>Global Fixed Income</b>	<b>24.3</b>	<b>19.0</b>	<b>4-34%</b>	<b>5.3</b>
<b>AIM</b>	<b>13.1</b>	<b>10.0</b>	<b>2-18%</b>	<b>3.1</b>
<b>Real Estate</b>	<b>11.5</b>	<b>10.0</b>	<b>5-15%</b>	<b>1.5</b>
<b>Inflation Linked</b>	<b>2.0</b>	<b>5.0</b>	<b>0-5%</b>	<b>-3.0</b>
<b>Cash Equivalents</b>	<b>8.3</b>	<b>0.0</b>		<b>8.3</b>
<b>Total Fund</b>	<u><u>100.0</u></u>	<u><u>100.0</u></u>		

<sup>1</sup> As allocated to managers.

<sup>2</sup> Asset Allocation Targets approved by Investment Committee in December 2008.

<sup>3</sup> Included is MDP Investment: LM Capital Investment: Total Market Value=\$214.6 million.

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# TARGET DOLLAR COMPARISON ASSET ALLOCATION

As of December 31, 2008

(A) <u>Asset Class</u>	(B) Actual <u>Allocation</u> (\$ Billion)	(C) <u>Target<sup>1</sup></u> (\$ Billion)	(D) Difference <u>(B-C)</u> (\$ Billion)
Domestic Equity <sup>2</sup>	40.1	51.3	-11.2
International Equity	<u>34.7</u>	<u>51.3</u>	<u>-16.6</u>
<b>Global Equity</b>	74.8	102.7	-27.8
Domestic Fixed Income	40.4	31.2	9.2
International Fixed Income	<u>4.2</u>	<u>3.7</u>	<u>0.5</u>
<b>Global Fixed Income</b>	44.6	34.8	9.8
<b>AIM</b>	24.0	18.3	5.7
<b>Real Estate</b>	21.1	18.3	2.7
<b>Inflation Linked</b>	3.6	9.2	-5.6
<b>Cash Equivalents</b>	15.2	0.0	15.2
<b>Total Fund</b>	<u><u>183.3</u></u>	<u><u>183.3</u></u>	

<sup>1</sup> Based upon Strategic Asset Allocation Target Percentage of total fund, approved by Investment Committee December 2008

<sup>2</sup> Included is MDP Investment: LM Capital Investment: Total Market Value= **\$214.6 million**.

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**MONTHLY PROGRESS REPORT**  
**ASSET ALLOCATION** <sup>1</sup>  
As of December 31, 2008

(A)	(B)	(C)	(D)	(E)
	11/30/2008	12/31/2008		
	Actual	Actual	Difference	
<u>Asset Class</u>	<u>Allocation</u>	<u>Allocation</u>	<u>(C-B)</u>	<u>Target<sup>2</sup></u>
	<u>(\$ Billion)</u>	<u>(\$ Billion)</u>	<u>(\$ Billion)</u>	<u>(\$ Billion)</u>
Domestic Equity <sup>3</sup>	39.5	40.1	0.6	51.3
International Equity	<u>33.3</u>	<u>34.7</u>	<u>1.4</u>	<u>51.3</u>
<b>Global Equity</b>	<b>72.8</b>	<b>74.8</b>	<b>2.0</b>	<b>102.7</b>
Domestic Fixed Income	37.5	40.4	2.9	31.2
International Fixed Income	<u>3.9</u>	<u>4.2</u>	<u>0.3</u>	<u>3.7</u>
<b>Global Fixed</b>	<b>41.3</b>	<b>44.6</b>	<b>3.2</b>	<b>34.8</b>
<b>AIM</b>	<b>25.8</b>	<b>24.0</b>	<b>-1.8</b>	<b>18.3</b>
<b>Real Estate</b>	<b>20.7</b>	<b>21.1</b>	<b>0.4</b>	<b>18.3</b>
<b>Inflation Linked</b>	<b>3.6</b>	<b>3.6</b>	<b>0.0</b>	<b>9.2</b>
<b>Cash Equivalents</b>	<b>16.6</b>	<b>15.2</b>	<b>-1.4</b>	<b>0.0</b>
<b>Total Fund</b>	<b><u>180.9</u></b>	<b><u>183.3</u></b>	<b><u>2.4</u></b>	<b><u>183.3</u></b>

<sup>1</sup> Monthly progress report toward policy targets.

<sup>2</sup> Based upon Strategic Asset Allocation Target Percentage of total fund, approved by Investment Committee December 2008

<sup>3</sup> Included is MDP Investment: LM Capital Investment: Total Market Value—~~\$214.6 million~~.

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## BOOK VS MARKET VALUE

As of December 31, 2008

(A)	(B)	(C)	(E)
<u>Asset Class</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Difference</u>
	(\$ Billion)	(\$ Billion)	(C - B)
			(\$ Billion)
Domestic Equity <sup>1</sup>	37.5	40.1	2.6
International Equity	<u>50.2</u>	<u>34.7</u>	<u>-15.5</u>
<b>Global Equity</b>	<b>87.6</b>	<b>74.8</b>	<b>-12.8</b>
Domestic Fixed Income	38.5	40.4	1.9
International Fixed Income	<u>4.0</u>	<u>4.2</u>	<u>0.2</u>
<b>Global Fixed Income</b>	<b>42.6</b>	<b>44.6</b>	<b>2.0</b>
<b>AIM</b>	<b>27.2</b>	<b>24.0</b>	<b>-3.1</b>
<b>Real Estate</b>	<b>20.1</b>	<b>21.1</b>	<b>0.9</b>
<b>Inflation Linked</b>	<b>4.6</b>	<b>3.6</b>	<b>-1.0</b>
<b>Cash Equivalents</b>	<b>15.1</b>	<b>15.2</b>	<b>0.0</b>
	<hr/>	<hr/>	<hr/>
<b>Total Fund</b>	<b><u>197.3</u></b>	<b><u>183.3</u></b>	<b><u>-13.9</u></b>

<sup>1</sup> Included is MDP Investment- LM Capital Investment: Total Book Value= **\$211.3 million**, Total Market Value= **\$214.6 million**.

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## GROSS PERFORMANCE VS EXPECTED RETURNS

One Year  
January 1, 2008 to December 31, 2008

(A)	(B)	(C)	(D)	(E)	(F)
<u>Asset Class</u>	<u>Actual Allocation</u>	<u>Asset Return</u>	<u>CalPERS Long-Term Expected Annual Return</u> <sup>1</sup>	<u>Expected Standard Deviation</u> <sup>1</sup>	<u>One Standard Deviation Range</u>
	(%)	(%)	(%)	(%)	(%)
Domestic Equity	21.9	-36.8	7.00	15.50	-8.50 - 22.50
International Equity	18.9	-46.2	7.00	17.50	-10.50 - 24.50
<b>Global Equity</b>	<b>40.8</b>	<b>-41.3</b>			
Domestic Fixed Income	22.0	-3.8			
International Fixed Income	2.3	5.9			
<b>Global Fixed Income</b>	<b>24.3</b>	<b>-2.8</b>	<b>3.00</b>	<b>6.50</b>	<b>-3.50 - 9.50</b>
<b>AIM</b>	<b>13.1</b>	<b>-8.0</b>	<b>10.00</b>	<b>25.00</b>	<b>-15.00 - 35.00</b>
<b>Real Estate</b>	<b>11.5</b>	<b>-17.5</b>	<b>6.00</b>	<b>17.00</b>	<b>-11.00 - 23.00</b>
<b>Inflation Linked</b>	<b>2.0</b>	<b>-10.5</b>	<b>4.00</b>	<b>5.75</b>	<b>-1.75 - 9.75</b>
<b>Cash Equivalents</b>	<b>8.3</b>	<b>-36.4</b>	<b>1.25</b>	<b>1.50</b>	<b>-0.25 - 2.75</b>
<b>Total Fund</b>	<b>100.0</b>	<b>-27.0</b>	<b>8.46</b>	<b>11.40</b>	<b>-2.94 - 19.86</b>

<sup>1</sup> Investment Committee Meeting December 2007

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## NET PERFORMANCE VS EXPECTED RETURNS

One Year

January 1, 2008 to December 31, 2008

(A)	(B)	(C)	(D)	(E)	(F)
<u>Asset Class</u>	<u>Actual Allocation</u> (%)	<u>Asset Return</u> (%)	<u>CalPERS Long-Term Expected Annual Return</u> <sup>1</sup> (%)	<u>Expected Standard Deviation</u> (%)	<u>One Standard Deviation Range</u> (%)
Domestic Equity	21.9	-36.9	7.00	15.50	-8.50 - 22.50
International Equity	<u>18.9</u>	-46.3	7.00	17.50	-10.50 - 24.50
<b>Global Equity</b>	<b>40.8</b>	<b>-41.4</b>			
Domestic Fixed Income	22.0	-3.8			
International Fixed Income	<u>2.3</u>	5.7			
<b>Global Fixed Income</b>	<b>24.3</b>	<b>-2.8</b>	<b>3.00</b>	<b>6.50</b>	<b>-3.50 - 9.50</b>
<b>AIM</b>	<b>13.1</b>	<b>-8.0</b>	<b>10.00</b>	<b>25.00</b>	<b>-15.00 - 35.00</b>
<b>Real Estate</b>	<b>11.5</b>	<b>-18.5</b>	<b>6.00</b>	<b>17.00</b>	<b>-11.00 - 23.00</b>
<b>Inflation Linked</b>	<b>2.0</b>	<b>-11.1</b>	<b>4.00</b>	<b>5.75</b>	<b>-1.75 - 9.75</b>
<b>Cash Equivalents</b>	<b>8.3</b>	<b>-36.4</b>	<b>1.25</b>	<b>1.50</b>	<b>-0.25 - 2.75</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Fund</b>	<b><u>100.0</u></b>	<b><u>-27.1</u></b>	<b><u>8.46</u></b>	<b><u>11.40</u></b>	<b><u>-2.94 - 19.86</u></b>

<sup>1</sup> Investment Committee Meeting December 2007

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# GROSS RETURNS

One Year

January 1, 2008 to December 31, 2008

	(A)	(B)	(C)
<u>Asset Class</u>	<u>Reported Gross Return</u>	<u>Expenses</u>	<u>Net Return (A-B)</u>
Domestic Equity	-36.84%	0.04%	-36.88%
International Equity	-46.22%	0.03%	-46.25%
<b>Global Equity</b>	<b>-41.31%</b>	<b>0.04%</b>	<b>-41.35%</b>
Domestic Fixed Income	-3.82%	0.00%	-3.82%
International Fixed Income	5.89%	0.15%	5.74%
<b>Global Fixed Income</b>	<b>-2.81%</b>	<b>0.01%</b>	<b>-2.82%</b>
<b>AIM</b>	<b>-7.97%</b>	<b>0.00%</b>	<b>-7.97%</b>
<b>Real Estate</b>	<b>-17.46%</b>	<b>1.08%</b>	<b>-18.54%</b>
<b>Inflation Linked</b>	<b>-10.51%</b>	<b>0.57%</b>	<b>-11.08%</b>
<b>Cash Equivalents</b>	<b>-36.39%</b>	<b>0.00%</b>	<b>-36.39%</b>
<b>Total Fund</b>	<b>-26.96%</b>	<b>0.12%</b>	<b>-27.08%</b>

# CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Periods Ending December 31, 2008

## CIO SUMMARY REPORT - GROSS

	% of Plan	MKT VAL \$(000's)	1 MO	QTR	FYTD	1 YR	3 YRS	5 YRS	10 YRS
<b>TOTAL DOMESTIC EQUITY</b>	21.9	40,120,328	1.46	-22.17	-29.43	-36.84	-8.31	-1.72	-0.54
<i>WILSHIRE 2500 EX TOBACCO (BLENDED)</i>			1.75	-22.87	-29.76	-37.48	-8.46	-1.88	-1.00
<b>TOTAL INTL EQUITY</b>	17.9	32,778,180	5.72	-23.70	-40.48	-46.22	-7.80	2.25	1.97
<i>CALPERS FTSE ALL-WORLD EX US</i>			5.91	-22.28	-39.12	-45.27	-6.65	2.85	2.06
<b>TOTAL GLOBAL EQUITY</b>	39.8	72,898,508	3.33	-22.91	-34.51	-41.31	-8.60	-0.65	0.14
<i>TOTAL GLOBAL EQ EX AIM BENCHMARK</i>			4.21	-22.60	-32.92	-40.07	-7.76	-0.25	0.11
<b>TOTAL DOMESTIC FIXED INCOME</b>	22.0	40,398,700	6.68	1.88	-3.39	-3.82	2.78	4.03	5.55
<i>CALPERS CUSTOM LEH LPF (DAILY)</i>			6.56	6.18	4.49	5.36	5.38	5.30	6.10
<b>TOTAL INTL FIXED INCOME</b>	2.3	4,198,276	8.85	6.49	0.39	5.89	7.74	5.20	4.85
<i>CALPERS WORLD GOVT X US</i>			8.21	8.58	3.98	9.40	9.18	5.86	5.53
<b>TOTAL GLOBAL FIXED INCOME</b>	24.3	44,597,635	6.89	2.30	-3.03	-2.81	3.31	4.14	5.47
<i>CALPERS TOTAL GBL FIXED INCOME POLICY</i>			6.69	6.37	4.46	5.70	5.80	5.36	5.99
<b>TOTAL AIM COMPOSITE</b>	13.1	24,046,378	-8.27	-12.07	-14.12	-7.97	11.85	15.17	10.17
<i>WILSHIRE 2500 PLUS 300 BPS EX TOBACCO</i>			2.00	-22.25	-28.65	-35.53	-5.39	2.04	3.67
<i>CUSTOM YOUNG FUND</i>			0.69	2.10	4.24	9.00	14.94	15.54	4.69
<b>TOTAL REAL ESTATE</b>	11.5	21,056,096	-2.65	-4.94	-17.67	-17.46	7.08	17.04	14.24
<i>90% NPI+200 BPS/10% FTSE EPRA NAREIT GBL</i>			0.96	-2.98	-3.08	1.63	11.92	13.44	11.44
<b>TOTAL INFLATION LINKED</b>	2.0	3,604,168	0.14	-13.49	-23.40	-10.51			
<i>CPI+400 BPS 1 MONTH LAGGED</i>			-1.52	-1.96	0.09	5.10			
<b>TOTAL CASH EQUIVALENTS</b>	8.2	15,110,616	0.10	0.43	1.06	2.71	4.40	3.61	3.85
<i>PERS CUSTOM STIF NET OF FEES</i>			0.10	0.39	1.03	2.60	4.31	3.46	3.59
<b>TOTAL CASH EQUIV + EQUITIZATION</b>	8.3	15,185,186	0.28	-23.15	-31.68	-36.39	-11.40	-6.10	-1.14
<b>OVERLAY + ASSET ALLOC TRANSITION</b>	1.1	1,934,988							
<b>TOTAL FUND</b>	100.0	183,322,959	1.31	-13.66	-23.02	-26.96	-2.32	3.22	3.52
<i>CALPERS POLICY INDEX</i>			3.22	-12.23	-19.51	-23.49	-1.14	3.44	3.17
<i>ACTUAL WEIGHTED TOTAL FUND INDEX</i>			3.47	-13.22	-21.08	-25.70	-1.95	2.86	3.02

Equity (SH4KA1, SHAKA1, SWZLA1); Fixed Income (SJDKA1, SJDCA1, SJEKA1)

AIM (SJA1M); Real Estate 1 QTR Lagged (SJRKA1); Inflation Linked (SX2CA1)

Cash and Overlay (SJVKA1,SJEKA1,SX1LA1); Total Fund (SJ1CA1)

# CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Periods Ending December 31, 2008

## CIO SUMMARY REPORT - NET

	% of Plan	MKT VAL \$(000's)	1 MO	QTR	FYTD	1 YR	3 YRS	5 YRS	10 YRS
<b>TOTAL DOMESTIC EQUITY</b>	21.9	40,120,328	1.46	-22.19	-29.46	-36.88	-8.37	-1.77	-0.58
<i>WILSHIRE 2500 EX TOBACCO (BLENDED)</i>			1.75	-22.87	-29.76	-37.48	-8.46	-1.88	-1.00
<b>TOTAL INTL EQUITY</b>	17.9	32,778,180	5.72	-23.71	-40.50	-46.25	-7.86	2.19	1.92
<i>CALPERS FTSE ALL-WORLD EX US</i>			5.91	-22.28	-39.12	-45.27	-6.65	2.85	2.06
<b>TOTAL GLOBAL EQUITY</b>	39.8	72,898,508	3.32	-22.92	-34.53	-41.35	-8.65	-0.70	0.10
<i>TOTAL GLOBAL EQ EX AIM BENCHMARK</i>			4.21	-22.60	-32.92	-40.07	-7.76	-0.25	0.11
<b>TOTAL DOMESTIC FIXED INCOME</b>	22.0	40,398,700	6.68	1.88	-3.39	-3.82	2.78	4.02	5.54
<i>CALPERS CUSTOM LEH LPF (DAILY)</i>			6.56	6.18	4.49	5.36	5.38	5.30	6.10
<b>TOTAL INTL FIXED INCOME</b>	2.3	4,198,276	8.78	6.41	0.29	5.74	7.65	5.12	4.77
<i>CALPERS WORLD GOVT X US</i>			8.21	8.58	3.98	9.40	9.18	5.86	5.53
<b>TOTAL GLOBAL FIXED INCOME</b>	24.3	44,597,635	6.88	2.29	-3.04	-2.82	3.29	4.13	5.45
<i>CALPERS TOTAL GBL FIXED INCOME POLICY</i>			6.69	6.37	4.46	5.70	5.80	5.36	5.99
<b>TOTAL AIM COMPOSITE</b>	13.1	24,046,378	-8.27	-12.07	-14.12	-7.97	11.84	15.16	10.16
<i>WILSHIRE 2500 PLUS 300 BPS EX TOBACCO</i>			2.00	-22.25	-28.65	-35.53	-5.39	2.04	3.67
<i>CUSTOM YOUNG FUND</i>			0.69	2.10	4.24	9.00	14.94	15.54	4.69
<b>TOTAL REAL ESTATE</b>	11.5	21,056,096	-2.82	-5.11	-18.06	-18.54	4.40	13.09	11.66
<i>90% NPI+200 BPS/10% FTSE EPRA NAREIT GBI</i>			0.96	-2.98	-3.08	1.63	11.92	13.44	11.44
<b>TOTAL INFLATION LINKED</b>	2.0	3,604,168	0.07	-13.55	-23.50	-11.08			
<i>CPI+400 BPS 1 MONTH LAGGED</i>			-1.52	-1.96	0.09	5.10			
<b>TOTAL CASH EQUIVALENTS</b>	8.2	15,110,616	0.10	0.43	1.06	2.71	4.40	3.61	3.85
<i>PERS CUSTOM STIF NET OF FEES</i>			0.10	0.39	1.03	2.60	4.31	3.46	3.59
<b>TOTAL CASH EQUIV + EQUITIZATION</b>	8.3	15,185,186	0.28	-23.15	-31.68	-36.39	-11.40	-6.10	-1.14
<b>OVERLAY + ASSET ALLOC TRANSITION</b>	1.1	1,934,988							
<b>TOTAL FUND</b>	100.0	183,322,959	1.28	-13.69	-23.07	-27.08	-2.54	2.96	3.32
<i>CALPERS POLICY INDEX</i>			3.22	-12.23	-19.51	-23.49	-1.14	3.44	3.17
<i>ACTUAL WEIGHTED TOTAL FUND INDEX</i>			3.47	-13.20	-21.07	-25.68	-1.94	2.87	3.02

Equity (SH4KA1, SHAKA1, SWZLA1); Fixed Income (SJDKA1, SJDCA1, SJEKA1)

AIM (SJA1M); Real Estate 1 QTR Lagged (SJRKA1); Inflation Linked (SX2CA1)

Cash and Overlay (SJVKA1,SJEKA1,SX1LA1); Total Fund (SJ1CA1)

**CALPERS INVESTMENTS IN CALIFORNIA as of December 31, 2008**

(A)	(B)	(C)	(D)	(E)	(F)
<u>Asset Class</u>	<u>Portfolio Value</u> <u>(\$ millions)</u>	<u>California Investments plus Additional Commitments</u> <sup>1</sup> <u>(\$ millions)</u>	<u>California Investments</u> <u>(\$ millions)</u>	<u>CA Investment as % of Asset Class (D/B)</u> <u>%</u>	<u>Program Description or Assumption</u>
<b>EQUITY</b>					
Domestic Equity	40,120.3	5,410.0	5,410.0	13	CA investment is approximately 13%
International Equity	<u>34,705.3</u>	<u>0.0</u>	<u>0.0</u>	<u>0</u>	
<b>Global Equity</b>	<b>74,825.6</b>	<b>5,410.0</b>	<b>5,410.0</b>	<b>7 %</b>	
<b>FIXED INCOME</b>					
Domestic Fixed Income	40,398.7	4,357.9	4,357.9	11	
International Fixed Income	<u>4,198.9</u>	<u>0.0</u>	<u>0.0</u>	<u>0</u>	
<b>Global Fixed Income</b>	<b>44,597.6</b>	<b>4,357.9</b>	<b>4,357.9</b>	<b>10 %</b>	
<b>AIM</b>					
<b>AIM</b>	<b>24,046.4</b>	<b>1,900.0</b>	<b>1,200.0</b>	<b>5 %</b>	Includes commitments through December 31, 2008
<b>REAL ESTATE</b>					
<b>Real Estate</b>	<b>21,056.1</b>	<b>8,955.0</b>	<b>5,234.3</b>	<b>25 %</b>	Outstanding commitments (column C-column D/column B): 17.7%
<b>INFLATION LINKED</b>					
<b>Inflation Linked</b>	<b>3,604.2</b>	<b>199.1</b>	<b>10.8</b>	<b>0 %</b>	
<b>CASH / CASH EQUIVALENTS</b>					
<b>Cash / Cash Equivalents</b>	<b>15,193.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0 %</b>	On deposit at the Treasurer's Office: \$987.23
<b>TOTAL FUND</b>	<b><u>183,323.0</u></b>	<b><u>20,822.0</u></b>	<b><u>16,213.0</u></b>	<b><u>9 %</u></b>	Outstanding commitments (column C/column B): 11.4%

<sup>1</sup> Total actual investments at market value and outstanding program commitments in California

Note: Due to reporting constraints, the California Investments in Real Estate are as of November 30, 2008.

When summing net amounts on this report, there may be breakage.